

**AMERICA WEST  
RESOURCES, INC.**

**HIDDEN SPLENDOR  
RESOURCES, INC.**

**HORIZON MINE**

**2011  
ANNUAL REPORT**

**UDOGM PERMIT - C/007/020**

*C/007/020 Incoming*

# 4059

*R*

**Hidden Splendor Resources  
Horizon Mine  
3266 South 125 West, Price, Utah 84501  
Phone: (435) 636-0820 – Fax: (435) 636-0817**

March 26, 2012

Mr. Daron Haddock  
Utah Coal Program  
Utah Division of Oil, Gas and Mining  
1594 West North Temple – Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

**RECEIVED**

**MAR 28 2012**

**DIV. OF OIL, GAS & MINING**

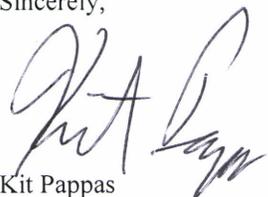
Re: C/007/0020 Horizon Mine  
2011 Annual Report

Dear Mr. Haddock:

Hidden Splendor Resources, Inc. is respectfully submitting two (2) copies of the 2011 Annual Report for the Horizon Mine permit C/007/020. One copy to the Salt Lake Office, and one copy to the Price Field Office.

If you have any questions or comments, please feel free to contact me at 435-636-0820.

Sincerely,



Kit Pappas  
Manager of Environmental and Engineering Services

Cc: Karl Housekeeper – DOGM (Price Office)  
File

File in:

- Confidential
- Shelf
- Expandable

Date Folder *032812* C/0070020

*Incoming*

# Annual Report

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by **March 30, 2012**. During a complete inspection an inspector will check and verify the information.

## GENERAL INFORMATION

Company Name	Hidden Splendor Resources, Inc.	Mine Name	Horizon Mine
Permit Number	C/007/0020	Permit expiration Date	October 11, 2016
Operator Name	America West Resources, Inc.	Phone Number	+1 (435) 636-0820
Mailing Address	3266 South 125 West	Email	kit@emerytelcom.net
City	Price		
State	Utah	Zip Code	84501

## DOG M File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Refuse Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	
Other:		REPORTING OF OTHER TECHNICAL DATA

## OPERATOR COMMENTS

**REVIEWER COMMENTS**     Met Requirements     Did Not meet Requirements

# COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

## Title: SUBSIDENCE CONTROL AND MONITORING

**Objective:** New or additional survey monuments will be installed above the projected pillar panels underlying Beaver Creek. The monitoring stations are located so at least one is subsided each year that mining occurs and will be installed with steel re-bar/rod with aluminum caps or other permanent metal or steel structures. Additionally, 4 monuments will be placed along Beaver Creek and at Water Monitoring Locations SP-4 and SP-9. (Plate 3-3) Data submitted to the Division on an annual basis will include: yearly raw subsidence data (whether active or inactive), and baseline subsidence data.

**Frequency:** Annually and for a period of two years following final cessation of mining operations.

**Status:** Ongoing

**Reports:** Annual report

**Citation:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29

Operator Comments

REFER TO CHAPTER 3, SECTION 3.4.8.5, PAGES 3-29 & 3-30, INCORPORATED MARCH 14, 2011 FOR FUTURE SUBSIDENCE REQUIREMENTS.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

## Title: SUBSIDENCE CONTROL PEDESTRIAN SURVEYS

**Objective:** To identify and monitor surface impacts due to mining. A pedestrian survey will be conducted over each panel in conjunction with the annual subsidence surveys. Data submitted to the Division on an annual basis will include photographs and coordinates of any cracks, fractures, slumps or other subsidence related abnormalities that are encountered.

**Frequency:** annually

**Status:** Ongoing

**Reports:** Annual Report

**Citation:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29

Operator Comments

A PEDESTRIAN SURVEY CONDUCTED IN OCTOBER 2011 ABOVE THE 3RD WEST MAINS, 1ST RIGHT, 1ST EAST AND 2 WEST PILLAR PANELS REVEALED NO CRACKS, FRACTURES, SLUMPING OR OTHER ABNORMALITIES.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**Title: ESTABLISH ACTUAL ANGLE OF DRAW, SURFACE PROFILES**

**Objective:** To determine the actual angle of draw, Hidden Splendor commits to locating a "Draw Line" on the surface over one of the first panels mined and pillared. This "Draw Line" will consist of points every 50 feet and be placed over the panel prior to pillaring, perpendicular to the mining direction and will extend far enough on either side of the panel to include the potential 35 degree angle of draw. After pillaring is complete in the panel, the line will be surveyed a second time to provide before and after profiles to the surface.

**Frequency:** Once

**Status:** OVERDUE

**Reports:** Send in annual report and amend MRP.

**Location:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29, last paragraph

Operator Comments

REFER TO CHAPTER 3, SECTION 3.4.8.5, PAGES 3-29 & 3-30, INCORPORATED MARCH 14 , 2011 FOR FUTURE SUBSIDENCE REQUIREMENTS.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**Title: SEALING OF WELLS**

**Objective:** Permanent closure of wells using measure required by DOGM to prevent access and prevent contamination of groundwater.

**Frequency:** When no longer needed.

**Status:** Ongoing

**Reports:** Report status when mining is terminated or wells are no longer needed. Update MRP as appropriate.

**Citation:** MRP, Volume 1, Chapter 6, page 6-10

Operator Comments

REFER TO CHAPTER 7, PAGES 7-31 & 7-32, AND AUGUST 15, 2011 E-MAIL FROM APRIL ABATE.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**Title: ANNUAL SUMMARY OF WATER MONITORING DATA**

**Objective:** Annual summary of water monitoring data collected by permittee including monitoring data for streams, springs, wells and mine inflows.

**Frequency:** Annually

**Status:** OVERDUE. An annual summary was not provided in the 2010 annual report. Also, the operator did not submit required mine inflow data in 2010.

**Reports:** Annual summary in Annual report, and quarterly data submitted to the water quality Database.

**Citation:** MRP, Volume 2, Chapter 7, page 7-30, 7-31, 7-34 and 7-37

Operator Comments

REFER TO "HORIZON MINE DISCHARGE FOR 2011".

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**HORIZON MINE DISCHARGE  
FOR 2011**

<u>DATE</u>	<u>GALLONS PUMPED</u>	<u>MINUTES</u>	<u>AVG. G.P.M.</u>	
1/1/2008				
1/31/2008	6,533,200	44,640	146.35	
2/29/2008	7,402,600	41,760	177.27	
3/31/2008	5,920,300	44,640	132.62	
4/30/2008	7,843,600	43,200	181.56	
5/31/2008	7,966,300	44,640	178.46	
6/30/2008	10,649,000	43,200	246.50	
7/31/2008	8,825,600	44,640	197.71	
8/31/2008	9,014,300	44,640	201.93	
9/30/2008	9,212,600	43,200	213.25	
10/31/2008	8,944,000	44,640	200.36	
11/30/2008	8,343,200	43,200	193.13	
12/31/2008	9,746,000	44,640	218.32	
<b><u>TOTAL GALS.</u></b>			<b><u>MINUTES</u></b>	<b><u>AVG. G.P.M.</u></b>
100,400,700			527,040	190.4992031

# FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

**Title: MACROINVERTEBRATE SURVEY**

**Objective:** Macroinvertebrate surveys of Gordon Creek .2 miles above the confluence of Jewkes Creek and the North fork of Gordon Creek .1 mile below the confluence of those streams to monitor potential impacts from mining activities.

**Frequency:** every other year

**Status:** Next survey to be conducted in 2012. (Last survey conducted fall 2010).

**Reports:** Include in annual report.

**Citation:** MRP, Volume 3, Chapter 10, Section 10.2.3, Page 10-4, paragraph 5.

**Title: RAPTOR SURVEY**

**Objective:** Survey raptor nests prior to full pillar extraction within 500 feet of a nest in any area that could be subsided (cliff escarpments). The mine plan currently avoids cliff escarpments by 500 feet. If the mine plan changes, active nests must have a 200 foot buffer and a 100 foot buffer if inactive. Mitigation of nests either active or inactive that are lost due to impacts will be replaced with assistance from DWR.

**Frequency:** Annual survey if mine plan changes to area where raptor nests could be impacted.

**Status:** Ongoing

**Reports:** Annual report

**Citation:** MRP, Volume 3, Chapter 10, Section 10.5.1.1, pages 10-39 and -40

**Title: COLLECTING AND REPORTING OF BASELINE DATA**

**Objective:** To compare baseline data parameters every 5 years during low flow season.

**Frequency:** Every 5 years during low flow. Next baseline sampling due July-September 2012.

**Status:** Ongoing

**Reports:** Summary in Annual report

**Citation:** MRP, Volume 2, page 7-34

**Title: RIPARIAN VEGETATION**

**Objective:** To provide a reclamation channel design, (April 2004), which will allow a reasonable likelihood of reestablishing the riparian vegetation along Jewkes Creek which existed prior to the construction of the mine.

**Frequency:** Once prior to mine reclamation in consultation with the Division.

**Status:** Prior to reclamation.

**Reports:** Submit amendment of MRP to Division for final approval.

**Citation:** MRP, Volume 3, Chapter 9, Section 9.8, page 9-9, paragraph 3.

OPERATOR COMMENTS (OPTIONAL)

**REVIEWER COMMENTS**



# REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

HORIZON WELL MONITORING DATA  
QUARTERLY AND ANNUAL POND INSPECTIONS FOR POND 001

Reviewer Comments



TABLE 7-1 (Continued)

WATER-LEVEL DATA OBTAINED FROM  
LOCAL MONITORING WELLS

Date	HZ-95-1		HZ-95-1S		HZ-95-2		HZ-95-3		HZ-01-06-1	
	Depth (ft)*	Elevation (ft)								
12/5/95	--	--	135.0	8221.5	828.0	7519.6	--	--		
12/13/95	786.00	7570.70	--	--	--	--	--	--		
12/21/95	--	--	--	--	--	--	378.80	7522.70		
7/9-10/96	711.30	7585.40	133.80	8222.70	830.00	7517.60	380.80	7520.70		
8/5/96	770.80	7585.90	133.50	8223.00	829.40	7518.20	387.80	7513.70		
9/11/96	769.40	7587.30	132.50	8224.00	829.40	7518.20	387.70	7513.80		
10/23/96	776.40	7580.30	132.50	8224.00	829.20	7518.40	380.70	7520.80		
11/1/96	776.40	7580.30	132.50	8224.00	829.20	7518.40	380.80	7520.70		
12/13/96	#		#		829.50	7518.10	379.50	7522.00		
1/6/97	771.05	7584.75	133.00	8223.50						
2/10/97	+		+		+		+			
3/25/97	+		+		+		+			
4/1/97	+		+		+		+			
5/28/97	770.95	7584.90	131.50	8225.10	828.05	7519.55	379.90	7522.40		
6/30/97	770.20	7585.60	132.14	8224.36	827.72	7519.88	379.90	7522.40		
9/16/97	773.50	7583.90	132.50	8224.00	827.20	7520.40	379.90	7522.40		
10/17/97	773.70	7583.70	132.50	8224.00	827.20	7520.40	379.90	7522.40		
6/30/98	817.80	7538.90	133.10	8223.40	836.60	7511.00	395.10	7506.40		
9/1/98	745.00	7611.70	134.50	8222.00	840.90	7506.70	398.00	7503.50		
6/1/99	758.80	7597.90	133.70	8222.80	847.80	7499.80	399.50	7502.00		
7/1/99	758.10	7598.60	134.40	8222.10	845.90	7501.70				
11/1/99	+		+		+		397.00	7504.50		
5/20/00	862.70	7494.00	132.80	8223.70	849.80	7497.80	401.50	7500.00		
9/8/00							402.10	7499.40		
9/26/00	875.00	7481.70	134.40	8222.10	863.80	7483.80				
10-12/31/00	\$		\$		\$		\$			
12/12/00	+		+		+		+			
3/23/01	+		+		+		+			
5/31-6/1/01	870.55	7486.15	133.75	8222.75	856.75	7490.85	414.17	7487.33		
9/20/01	876.85	7479.85	134.50	8222.00	862.40	7485.20	416.10	7485.40		
10/19/01	873.36	7483.34	134.65	8221.85	858.71	7488.89	415.70	7485.80		
11/17/01									944.20	7817.20
2/18/02	@		@		@		@		@	
3/25/02	@		@		@		@		@	
6/12/02	876.68	7480.02	135.08	8221.42	867.38	7480.22	458.12	7443.38	1029.58	7731.82
9/4/02	876.85	7479.85	136.37	8220.13	869.28	7478.32	%465.1	%7436.4	1036.85	7724.55
10/8/02	876.55	7480.15	136.00	8220.50	869.65	7477.95	%465.1	%7436.4	1037.45	7723.95
5/14/2003	@		@		@		%465.1	%7436.4	@	
5/28/2003	875.12	7481.38	135.35	8221.15	872.00	7475.60	%465.1	%7436.4	1036.6	7724.80
9/5/2003	876.22	7480.48	135.51	8220.99	871.73	7475.87	%465.1	%7436.4	1036.74	7724.66
10/16/2003	876.24	7480.46	135.45	8220.93	871.92	7476.06	%465.1	%7436.4	1036.5	7724.46
3/1/2004	@		@		@				@	
3/29/2004	@		@		@		%465.1	%7436.4		
6/18/2004	901.54	7455.16	135.68	8220.82	877.20	7470.40	%465.1	%7436.4	1062.50	7698.90
9/27/2004	905.72	7450.98	136.15	8220.35	878.00	7469.60	%465.1	%7436.4	1050.55	7710.85
10/14/2004	909.25	7447.45	135.90	8220.60	878.17	7469.43	%465.1	%7436.4	1050.33	7711.07
3/16/2005	@		@		@		@		@	
3/31/2005	@		@		@		@		@	
6/28/2005	993.51	7363.19	132.90	8223.70	882.62	7464.98	%465.1	%7436.4	1039.76	7721.64
9/22/2005	993.67	7363.03	133.90	8222.60	844.50	7503.10	%465.1	%7436.4	1039.91	7721.49
10/13/2005	993.61	7363.09	135.82	8211.78	844.61	7502.99	%465.1	%7436.4	1039.80	7721.60
3/31/2006	@		@		@		@		@	
6/23/2006	999.13	7357.60	143.61	8212.90	887.24	7460.40	%465.1	%7436.4	1039.20	7722.20

<b>IMPOUNDMENT INSPECTION AND CERTIFIED REPORT</b>		<b>Page 1 of 1</b>
Permit Number	C/007/020	Report Date: 02-10-2011
Line Name	Horizon	
Company Name	Hidden Splendor Resources, Inc.	
Impoundment Identification	Impoundment Number	001
	UPDES Permit Number	UTG040019

**IMPOUNDMENT INSPECTION**

Date of Inspection	02-10-2011
Inspected By	Kit Pappas
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection

**1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.**  
 No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.	<b>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</b>
	60% Sediment Storage – 7566.9 100 % Sediment Storage – 7569.8 Estimated Sediment Elevation – 7562.0
	<b>3. Principle and emergency spillway elevations.</b> Spillway Elevation - 7573.9 Feet
	<b>4. Field Information</b>  Pond was frozen and covered with ice and snow. The pond was not discharging at the time of inspection. The inlets and outlet were stable.

<b>IMPOUNDMENT INSPECTION AND CERTIFIED REPORT</b>			<b>Page 1 of 1</b>
<b>Permit Number</b>	C/007/020	<b>Report Date:</b> 6-7-2011	
<b>Mine Name</b>	Horizon		
<b>Company Name</b>	Hidden Splendor Resources, Inc.		
<b>Impoundment Identification</b>	<b>Impoundment Number</b>	001	
	<b>UPDES Permit Number</b>	UTG040019	

**IMPOUNDMENT INSPECTION**

<b>Date of Inspection</b>	06-07-2011		
<b>Inspected By</b>	Kit Pappas		
<b>Reason for Inspection</b> (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection		

**1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.**  
 No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

<b>Required for an impoundment which functions as a SEDIMENTATION POND.</b>	<b>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</b> 60% Sediment Storage – 7566.9 100 % Sediment Storage – 7569.8 Estimated Sediment Elevation – 7562.1
	<b>3. Principle and emergency spillway elevations.</b> Spillway Elevation - 7573.9 Feet
	<b>4. Field Information</b> Some water in pond. The pond was not discharging at the time of inspection. The inlets and outlet were stable.

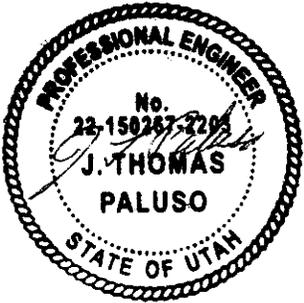
**IMPOUNDMENT INSPECTION AND CERTIFIED REPORT**

Permit Number	C/007/020	Report Date: 8-15-2011
Mine Name	Horizon	
Company Name	Hidden Splendor Resources, Inc.	
Impoundment Identification	Impoundment Number	001
	UPDES Permit Number	UTG040019

**IMPOUNDMENT INSPECTION**

Date of Inspection	08-15-2011	
Inspected By	Kit Pappas	
Reason for Inspection <small>(Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)</small>	Annual & Quarterly Inspection	

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.  
 No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.	2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.  60% Sediment Storage – 7566.9 100 % Sediment Storage – 7569.8 Estimated Sediment Elevation – 7560.1
	3. Principle and emergency spillway elevations. Spillway Elevation - 7573.9 Feet
	4. Field Information  Some water in pond. The pond was not discharging at the time of inspection. The inlets and outlet were stable.
	

<b>IMPOUNDMENT INSPECTION AND CERTIFIED REPORT</b>		<b>Page 1 of 1</b>
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<b>Permit Number</b>	C/007/020	<b>Report Date:</b> 10-19-2011	
<b>Mine Name</b>	Horizon		
<b>Company Name</b>	Hidden Splendor Resources, Inc.		
<b>Impoundment Identification</b>	<b>Impoundment Number</b>	001	
	<b>UPDES Permit Number</b>	UTG040019	

**IMPOUNDMENT INSPECTION**

<b>Date of Inspection</b>	10-18-2011		
<b>Inspected By</b>	Kit Pappas		
<b>Reason for Inspection</b> <small>(Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)</small>	Quarterly Inspection		

**1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.**  
 No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

<b>Required for an impoundment which functions as a SEDIMENTATION POND.</b>	<p><b>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</b></p> <p>60% Sediment Storage – 7566.9          100 % Sediment Storage – 7569.8          Estimated Sediment Elevation – 7560.1</p> <p><b>3. Principle and emergency spillway elevations.</b></p> <p>Spillway Elevation - 7573.9 Feet</p> <p><b>4. Field Information</b></p> <p>Some water in pond.          The pond was not discharging at the time of inspection. The inlets and outlet were stable.</p>
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# MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2011, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual subsidence map	HORIZON MINE 5 YEAR MINE S	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mine Map	SAME AS ABOVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments     Met Requirements                       Did Not Meet Requirements

**THE MAP HAS BEEN MOVED  
TO CONFIDENTIAL**